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South Dakota
Public Utilities Commission

Annual Reports
FY83 — FY84

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Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

Commissioners:
Kenneth Stofferahn
Jeff Solem
Dennis Eisnach

Executive Secretary
Roberta Lovald
(605) 773-3201

January 24, 1985

The Honorable William J. Janklow
Governor of South Dakota
State Capitol Building
Pierre, SD 57501

Dear Governor Janklow:

In conformity with South Dakota Codified Law 49-1-13, the Public Utilities Commission hereby respectfully submits its annual report for the time period Fiscal Year 1983 through Fiscal Year 1984. This report of its activities contains the facts, statements and explanations deemed necessary by the Commission to fully disclose its transactions and conduct during this time period.

Generally, this report conveys the various activities, functions and accomplishments of the South Dakota Public Utilities Commission. It includes, but is not limited to, a complete financial report of receipts and expenditures, including a list of the utilities regulated by the Commission and the total amount of fees and assessments paid by each. It also includes a list of the applications, subject and disposition of each docket number assessed by the Commission.

Sincerely,

Kenneth D. Stofferahn, Chairman
S.D. Public Utilities Commission

KDS:WRS:jld

Enclosure

FORWARD

This report of the activities and accomplishments of the South Dakota Public Utilities Commission contains the facts, statements and explanations deemed necessary by the Commission to fully disclose its transactions and conduct during Fiscal Year 1983 and 1984 biennium.

Created by State Statute, the South Dakota Public Utilities Commission is an independent quasi-judicial regulatory body of three members elected state-wide to six year terms. The jurisdiction, powers and duties of the Commission are delegated to it by the South Dakota Legislature. The Legislature has charged the Commission with the responsibility of regulating the six investor-owned electric companies, four natural gas companies and three telephone companies as well as motor carriers doing business within the State of South Dakota. The Commission is also responsible for the licensing of grain elevators, warehouses and general storage facilities. In addition, the requests for construction of energy conversions or transmission facilities must be reviewed and approved by the Commission before such projects can begin.

The three elected public utilities commissioners administer and supervise all functions of the South Dakota Public Utilities Commission. As a Commission it organizes by selecting a chairman, vice chairman and associate commissioner. A portion of the Commission's mission is to regulate intrastate facilities, services, operations and rates of public utilities companies and common carriers. Its mission also includes registering interstate motor carrier authority thus insuring the public safe, dependable service and just and reasonable rates and charges. The Commission is charged further with the mission of delivering sound decisions to the people of South Dakota in telephone, natural gas and electric utilities and trucking, busing, public warehouse, grain elevator, warehouse and grain dealer's industries within the State of South Dakota.

HISTORY OF THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

The present day South Dakota Public Utilities Commission traces its historical roots to 1885 when the Dakota Territorial Legislature established the Board of Railroad Commissioners for the regulation of service and facilities of rail carriers. This territorial statute was amended by the first South Dakota State Legislature in its 1889 session. This amendment signficantly increased the duties and powers of this three member board. The Board consisted of three members appointed by the Governor to serve for two years or at the pleasure of the Governor.

In 1890 the Legislature placed the regulation of grain warehouses under the jurisdiction of the Board of Railroad Commissioners. That law as amended through the years is still within the areas of the Commission's current statutory responsibilities.

Then in 1897 the Legislature enacted a new law which made the Board of Railroad Commissioners an elective office with six year terms of office, one Commissioner to be elected each two years. This statute change was apparently intended to encourage a diversity of experience and tenure by the members and to make the Board responsible directly to the people.

In 1907 a law was enacted which created a telephone commission composed of the State Treasurer, State Auditor and a Telephone Commissioner. This Telephone Commissioner was given limited jurisdiction over telephone and telegraph companies. The Telephone Commissioner was to be appointed by the Governor for a period of two years. Then, in the session of 1909, the Legislature repealed this 1907 law which abolished the Telephone Commission at the same time giving jurisdiction over the rates and services of telephone and telegraph companies to the Board of Railroad Commissioners. Along with this transfer of responsibility the Legislature created comprehensive regulatory law which, with some legislative changes through the years, is currently the law relating to rates and service of telephone companies. Then in 1923 the supervision and control of motor carriers was placed under the jurisdiction of the Board of Railroad Commissioners with limited duties and powers. In the 1925 legislative session a comprehensive Motor Carrier Act was enacted under which the supervision or regulation of motor carriers is now conducted. Also during the 1925 legislative session, a law was passed which placed the property (general) storage warehouses under the supervision of the Board of Railroad Commissioners. Prior to this legislative change, that responsibility had been assigned to the Secretary of State.

On July 1, 1939 the name of the Board of Railroad Commissioners was changed by law to the Public Utilities Commission. This name change was reflective of both the evaluation of various responsibilities and the regulatory trends of other states throughout the nation.

In 1975, the Legislature created state law which gave the Public Utilities Commission jurisdiction over the regulation of natural gas and electric utilities. Currently the Commission has regulatory authority over the following four investor-owned natural gas companies: Iowa Public Service, Minnegasco, Montana-Dakota Utilities and Northwestern Public Service. The Commission also currently has regulatory authority over the following six investor-owned electric utility companies: Black Hills Power and Light, Iowa Public Service, Montana-Dakota Utilities, Northern States

Power, Northwestern Public Service and Otter Tail Power. In 1976 the Legislature exempted the Rural Electric Associations from this regulation. Then the 1979 Legislature exempted the Rural Telephone Associations from Public Utilities Commission regulation.

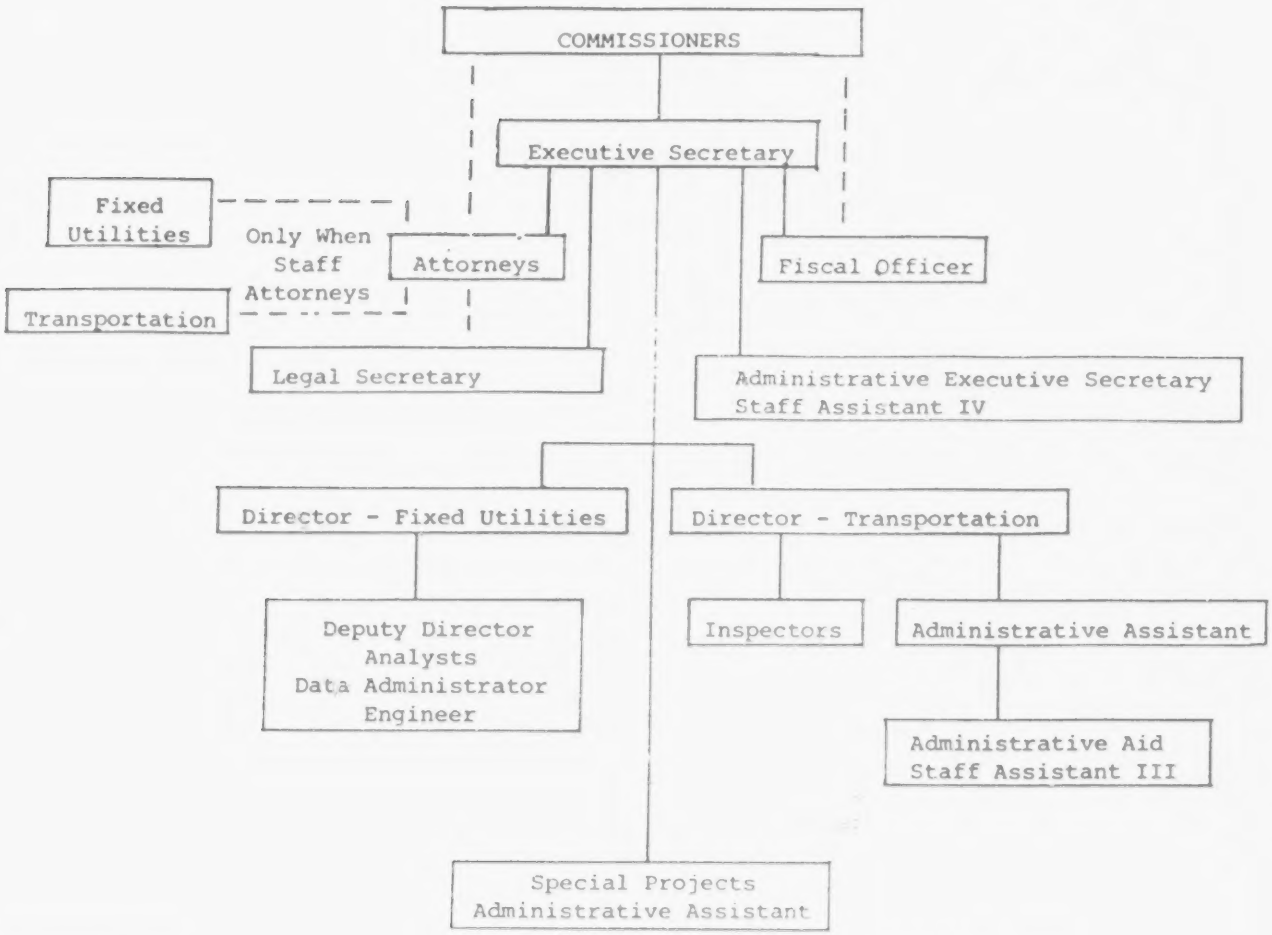
On July 1, 1980 the municipal telephone systems were also removed from Commission regulation. Then on July 1, 1982 the independent telephone companies were removed from Commission rate regulation. The Public Utilities Commission has rate jurisdiction over three telephone companies: Northwestern Bell, Bison State and AT&T Communications Mid West.

On December 29, 1981, President Reagan signed into law the Record Carrier Competition Act of 1981, Public Law 97-130(RCCA). This new federal statute preempted state jurisdiction over record carrier services, thus removing rate regulation of telegraph companies.

The state laws applicable to the Public Utilities Commission are found in Volume 14B, Title 49 of the South Dakota Codified Laws. These laws govern the regulation of motor carriers, telephone and telegraph, public warehouses, public grain warehouses, grain dealers, energy facilities and transmission lines, and investor-owned electric and natural gas companies. From 1974 to the present time the Public Utilities Commission has promulgated rules which cover the above listed utilities.

The Commission functions under direct general fund and other fund appropriations of the South Dakota Legislature but it is charged with the responsibility of collecting certain fees for licenses, permits and charges including special hearing fund assessments in the fixed utilities division. A complete financial report of these fees and funds are included elsewhere in this report.

Adopted June 12, 1984



Commissioners:

Ken Stofferahn, Chairman
Jeff Solem, Vice-Chairman
Dennis Eisnach, Commissioner

Administrative Division:

Roberta Lovald, Executive Secretary
Jody Duffy, Administrative Executive Secretary
Betty Larson, Fiscal Officer
Mary Sieck, Staff Assistant IV

Transportation Division:

Lorrell Larson, Director
Jolene Nelson, Administrative Assistant
Patricia Blackford, Attorney
Margaret Nickels, Administrative Assistant
Velma Otten, Staff Assistant III

Transportation Division Cont.:

Richard Gallup, Inspector
Morris Sandal, Inspector
Lou Hammond, Inspector

Fixed Utilities Division:

Greg Rislov, Director
Steve Kinsella, Deputy Director
Mary Vanderpan, Attorney
David Jarratt, Attorney
Micki Oaks, Legal Secretary
Harlan Best, Telecommunications Director
Martin Bettmann, Staff Engineer
Bob Knadle, Utility Analyst
Dave Jacobson, Utility Analyst
Eugene "Pat" Springer, Data Administrator
Della Andre, Administrative Assistant
William Stevens, Special Projects Director

Brief Biographies of Commissioners

The following brief biographical narratives are for the four individual Commissioners who have served or are serving on the Commission for the time period of Fiscal Years 1983 and 1984:

Charlotte Fischer

Assumed Commissionership January, 1977; term expired January 3, 1983. Republican, born November 20, 1948. Received B.S. Degree in Political Science from the University of South Dakota, Vermillion; additional graduate work toward M.A. Degree; past experience included serving as a Congressional aide to a U.S. Representative, 1973-1976. Elected to serve District 3, the area west of the Missouri River; address is Wall, South Dakota. Served as Chairwoman of the Commission from January of 1981 until January 3, 1983.

Kenneth Stofferahn

Assumed Commissionership January, 1979, first term ended January 7, 1985; re-elected to a second term which ends January 1991. Democrat, born April 5, 1934. Received B.S. Degree in Agriculture from South Dakota State University, Brookings; past experience includes farming; member of West Central Board of Education (President) 1974, 1976-1978; and member of South Dakota House of Representaives, 1974-1976. Elected to serve District 1, which comprises the counties of Lake, Moody, McCook, Minnehaha, Charles Mix, Douglas, Hutchinson, Turner, Lincoln, Bon Homme, Yankton, Clay and Union; address is Pierre, South Dakota. Has served as Chairman of the Commission since January 5, 1983.

Jeff Solem

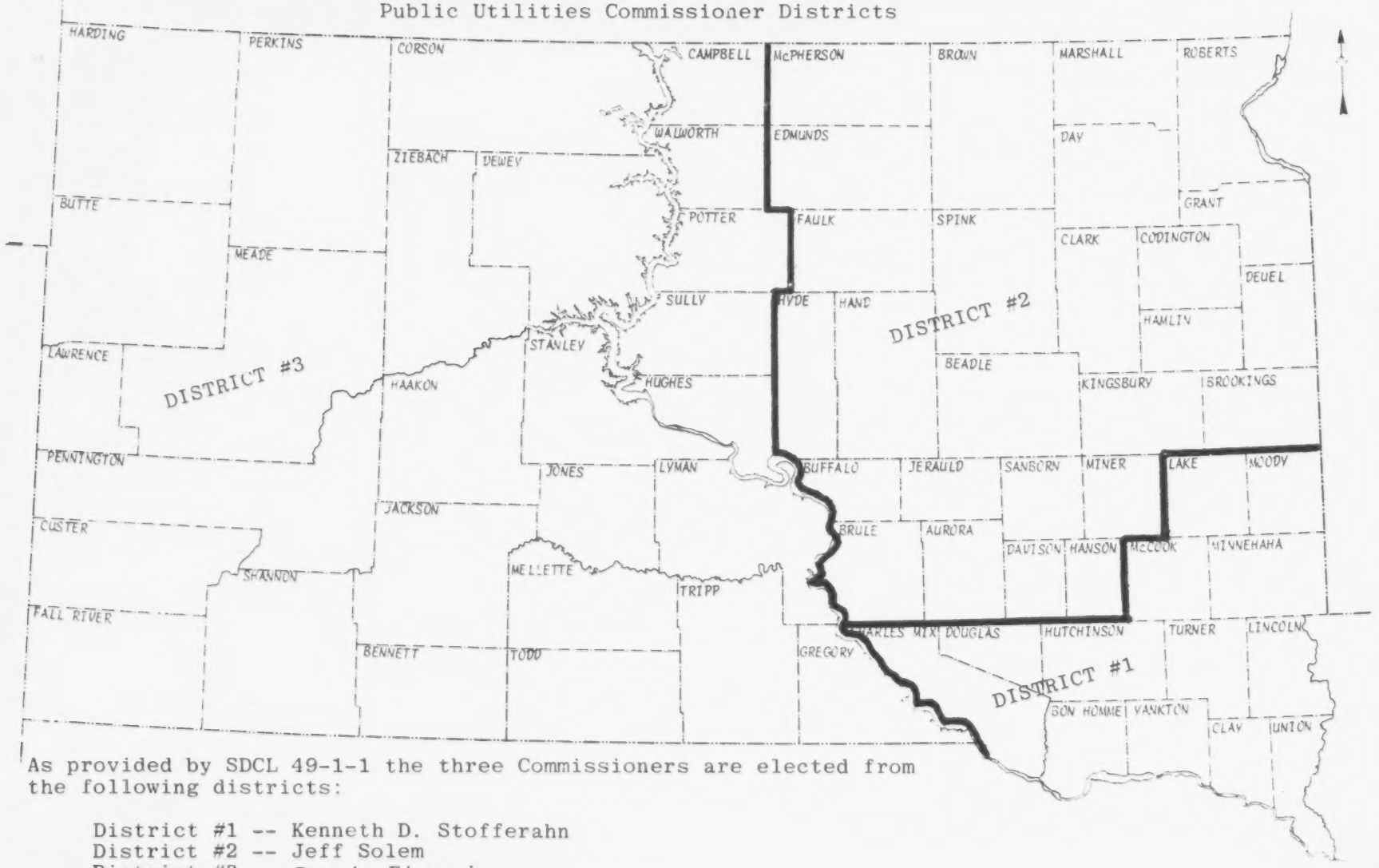
Assumed Commissionership January 2, 1981, term ends January, 1987. Republican, born August 4, 1921. Received B.A. Degree from George Washington University, Washington, D.C.; past experience includes radio - TV station owner and broadcaster twenty-five years and Mayor of the City of Aberdeen, 1972-1980. Elected to serve District 2, which comprises the counties of McPherson, Edmunds, Brown, Marshall, Day, Roberts, Grant, Faulk, Spink, Clark, Codington, Hamlin, Deuel, Hyde, Hand, Beadle, Kingsbury, Brookings, Buffalo, Brule, Jerauld, Aurora, Sanborn, Davison, Miner and Hanson; address is Pierre, South Dakota. Has served as Vice Chairman of the Commission since January 1983.

Dennis Eisnach

Assumed Commissionership January 4, 1983, term ends January, 1989. Democrat, born January 2, 1936. Attended South Dakota School of Mines and Technology, Rapid City, and the University of South Dakota, Vermillion; past experience includes South Dakota Highway Patrol, 1960-1980 - Superintendent, 1974-1980. Elected to serve District 3, which comprises the counties of Harding, Perkins, Corson, Campbell, Butte, Meade, Ziebach, Dewey, Walworth, Potter, Sully, Hughes, Lawrence, Pennington, Haakon, Stanley, Jones, Lyman, Custer, Fall River, Shannon, Jackson, Bennett, Mellette, Todd, Tripp and Gregory. Address is Pierre, South Dakota.

SOUTH DAKOTA

Public Utilities Commissioner Districts



As provided by SDCL 49-1-1 the three Commissioners are elected from the following districts:

District #1 -- Kenneth D. Stofferahn
District #2 -- Jeff Solem
District #3 -- Dennis Eisnach

ADMINISTRATIVE DIVISION

The Administrative Division of the Public Utilities Commission has the general responsibility over the administrative and technical operations. The Executive Secretary coordinates the various staff activities of this division, arranges hearings and conferences, and is responsible for the implementation of Commission policies.

At the direction of the Executive Secretary, Commission staff members prepare legislative proposals and actions which have been recommended by the Commission. During the 1982, 1983 and 1984 Legislative Sessions, the State Legislature has enacted the following changes in Title 49 of the South Dakota Codified Laws:

Statutory Changes

Effective February 23, 1982 (1982 Legislative Session)

- Senate Bill No. 30 (SDCL 49-1-1) reapportioned the three Public Utilities Commissioner districts.

Effective July 1, 1982 (1982 Session)

- Senate Bill No. 167 (SDCL 49-1A-3) increased the intrastate gross receipts tax from .001% to .0015% on regulated telephone companies, natural gas companies and electric companies (contained a suicide clause of July 1, 1983).

- House Bill No. 1305 (SDCL 49-1A-8) increased the deposit required from fifty thousand to seventy-five thousand dollars ($50,000 to $75,000) with each rate increase application filed by a regulated natural gas, electric or telephone company; however, the requirement remains that if such proposed rate increase will not generate additional revenue in an amount in excess of five hundred thousand dollars ($500,000) during a period of one year following the date when the rate goes into effect, the deposit need not be made.

- House Bill No. 1173 (SDCL 49-10-27) removed the preference given to the common carrier in telephone company rate case hearings and placing the burden of proof on the common carrier to show that the increased rate or proposed rate is reasonable.

- House Bill No. 1311 (SDCL 49-28-15.1) added a new section to this chapter which clarified the procedure by which motor carrier permits for buses are issued by the Commission.

- Senate Bill No. 110 (SDCL 49-31-1 & 5.1) created a new definition of independent telephone company and provided for the return of an independent telephone company (Bison State Telephone Co.) to rate regulation under the Commission.

- House Bill No. 1249 (SDCL 49-34A-19) changed state law to require the Commission to consider income and expense of natural gas and electric utility companies for two years when considering rate requests.

- Senate Bill No. 185 (SDCL 49-41B-22.1) provided a procedure for reapplications for energy transmission facilities or pipeline permits with the Commission.

Effective February 17, 1983

- House Bill No. 1047 (SDCL 49-1-8.2) amended and clarified the duties and qualifications of the Commission's Executive Secretary.

Effective July 1, 1983 (1983 Session)

- House Bill No. 1368 (SDCL 49-3-15 & 29; SDCL 49-10-19; SDCL 49-31-11 & 38; SDCL 49-34-14; SDCL 49-42-17; SDCL 49-43-26; and SDCL 49-45-5) provided for civil fines for violations of the public utilities regulated by the Commission.

- Senate Bill No. 38 (SDCL 49-1-19) required appeals from decisions and orders of the Commission to be conducted in the manner prescribed by the administrative procedures act.

- House Bill No. 1050 (SDCL 49-1A-5) changed the due date for regulated investor-owned utility companies to transmit the annual gross receipts tax to July first of each year following the filing of the report of such gross receipts.

- Senate Bill No. 124 (SDCL 49-28-33, 65 & 66) transferred certain regulatory administrative functions relating to motor carriers from the Commission's transportation division to the Department of Public Safety. This act eliminated the arrest authority of the Commission's Motor Carrier Inspectors. This act also apparently inadvertantly transferred the entire motor carrier rulemaking authority to the Department of Public Safety. (*Note that this rulemaking authority was "recaptured" through the passage in the 1984 Legislative Session of Senate Bill No. 74.)

- Senate Bill No. 34 (SDCL 49-28-2(5)) excluded motor vehicles used exclusively within a municipality from motor carrier regulation.

- Senate Bill No. 32 (SDCL 49-28-2(8)) excluded motor vehicles used to deliver mail from motor carrier regulation.

- Senate Bill No. 37 (SDCL 49-28-12) revised the notice requirements for hearings on motor carrier applications.

- House Bill No. 1035 (SDCL 49-28-14) modified the procedure by which motor carrier permits are issued by the Commission for class A or class B carriers.

- Senate Bill No. 36 (SDCL 49-28-36.5) increased the annual identification fee from four dollars ($4) to five dollars ($5) for motor carriers operating in interstate movement within South Dakota.

- House Bill No. 1044 (SDCL 49-34A-72) provided for a procedure to reimburse the Commission for certain litigation expenses when the Commission has intervened or otherwise participated in a rate, certificate or related

proceeding before a federal agency which results in a refund in wholesale rates to a public utility serving customers in South Dakota.

- Senate Bill No. 128 (SDCL 49-41B-2) revised the definition of a "transmission facility to clarify the "one mile" requirement.

- House Bill No. 1315 (SDCL 49-41B-4) clarified the law which states that water transmission facilities do not require a Commission permit if the state Water Management Board has issued a permit to appropriate water.

- House Bill No. 1004 (SDCL 49-41B-4.8) provided that transmission facilities may survey proposed routes notwithstanding the prohibition against obtaining easements and it extended the time within which this would be allowed.

- Senate Bill No. 33 (SDCL 49-42-7) increased the annual license fee from five dollars ($5) to fifteen dollars ($15) for public grain warehouses receiving, storing or handling grain and seeds.

- Senate Bill No. 35 (SDCL 49-45-2) required grain dealers to purchase a decal from the Commission and to display it on grain trucks.

Effective July 1, 1984 (1984 Session)

- House Bill No. 1114 (SDCL 49-13-7, SDCL 49-28-12 and SDCL 49-28-67) clarified certain commission motor carrier hearing procedures.

- Senate Bill No. 74 (SDCL 49-28-33) authorized the Commission to adopt administrative rules to regulate motor carriers in certain specific areas. The result of this specific legislative authorization allowed the Commission to correct a previous oversight which, in Senate Bill No. 124 of the 1983 session, transferred the motor carrier rulemaking authority from the Commission to the Department of Public Safety. This allowed the Commission to recapture its lost rules authority.

- Senate Bill No. 82 (SDCL 49-45-4) exempted certain residents and nonresidents from grain dealer licensing requirements.

- Senate Bill No. 81 (SDCL 3-6A-13(1)) added the Commission to the listing of those elected official's offices whose staffs are exempt from the Career Service Personnel Management System. This act excluded currently nonexempt Commission employees from the carrier service. A portion of the staff was already exempt from Career Service.

Financial Reports

The Administrative Division has the responsibility of compiling all of the Commission's fiscal information used in the budgeting and accounting functions. The financial reports of expenditures and revenues in the various program budgets follow.

The Statement of General Fund Revenue represents the collection of general fund revenue receipted by the issuance of licenses and permits in the Transportation Division. Revenue collected from these sources is remitted to the State General Fund.

Statement of General Fund Revenue

	FY-83	FY-84
ICC or ICC Registration	$ 44,250.00	$ 49,450.00
MC-A Permit	660.00	200.00
MC-B Permit	9,990.00	8,900.00
MC-C Permit	940.00	1,900.00
Permit Transfers	5,100.00	5,100.00
Non Storage and Federal Storage Licenses	170.00	392.50
Grain Elevator Licenses	4,377.50	7,255.00
Grain Storage Certificates	710.00	0.00
General Warehouse Certificates	220.00	245.00
Decals	728.00	1,428.00
Grain Buyers Licenses	5,670.00	5,145.00
Identification Stamps	582,416.50	788,162.00
Cab Cards	1,043.40	550.00
Reimbursements	0.00	66.98
Grain Terminal Weighmaster	5.00	5.00
Total	$656,130.40	$868,799.48

The Special Hearing Fund Revenue listed in the following report for state fiscal years 1983 and 1984 shows the amount of the annual intrastate gross receipts tax paid by each Commission-regulated natural gas, electric and telephone company in South Dakota. This annual intrastate gross receipts tax, levied on the following listed companies, is authorized by SDCL 49-1A-3 and provides funding for the Commission's Division of Fixed Utilities. This funding source appears as other funds in the fixed utilities division.

Special Hearing Fund Revenue

	FY-83	FY-84
Bison State Telephone Company	$ 3,796.21	$3,950.83
Black Hills Power And Light Company	60,128.64	69,632.33
Northern States Power Company	45,109.16	54,955.96
Iowa Public Service	10,872.00	14,975.56
Minnegasco	40,080.74	57,556.81
Northwestern Bell Telephone Company	132,447.97	145,374.12
Otter Tail Power Company	12,880.38	16,138.43
Northwestern Public Service Company	105,138.27	130,069.00
Montana Dakota Utilities	41,082.85	51,587.89
Reimbursements	0.00	3.99
Penalties	0.00	2,877.84
Total	$451,536.22	$547,122.76

Budget, Expenditures, Encumbrances and Reversions
for the Year ending June 30, 1983

Program	Budget at Beginning of Period	Budget at end of Period	Expenditure by Fund: General	Expenditure by Fund: Dedicated	Total Expenditures	Encumbrances and Carry-overs	Reversions
01- Administration							
Personal Services	$187,236.60	$187,236.60	$186,319.99		$186.319.99		
Operating Expenses	25,771.40	25,771.40	25,444.98		25,444.98		
Total Program	$213,008.00	$213,008.00	$211,764.97		$211,764.97		$ 1,243.03
02- Transportation							
Personal Services	$143,339.80	$143,339.80	$143,240.89		$143,240.89		
Operating Expenses	89,365.67	89,365.67	88,226.49		88,226.49	$ 185.00	
Total Program	$232,705.47	$232,705.47	$231,467.38		$231,467.38	$ 185.00	$ 1,053.09
03- Fixed Utilities							
Personal Services	$309,115.64	$309,115.64			$212,553.61		
Operating Expenses	140,509.96	140,509.96			133.985.41	$4,000.00	
Total Program	$449,625.60	$449,625.60			$346,539.02	$4,000.00	$99,086.58
04- Non-Appropriated Filing Fees							
Operating Expenses	$318,922.31	$318,922.31		$317,204.25	$317,204.25		
Total Program	$318,922.31	$318,922.31		$317,204.25	$317,204.25		$ 1,718.06
TOTAL ALL PROGRAMS	$1,214,261.38	$1,214,261.38	$443,232.35	$317,204.25	$1,106,975.62	$4,185.00	$103,100.76

[The two financial statements which appear on this page and the next page show the budget, expenditures, encumbrances and reversions for the fiscal years ending June 30, 1983 and June 30, 1984 for the Public Utilities Commission's three programs.]

Budget, Expenditures, Encumbrances and Reversions
for the Year ending June 30, 1984

Program	Budget at Beginning of Period	Budget at end of Period	Expenditure by Fund: General	Expenditure by Fund: Dedicated	Total Expenditures	Encumbrances and Carry-overs	Reversions
01- Administration							
Personal Services	$213,873.00	$213,873.00	$213,810.01		$213,810.01		
Operating Expenses	27,030.00	27,030.00	24,997.85		24,997.85	$ 1,854.45	
Total Program	$240,903.00	$240,903.00	$238,807.86		$238,807.86	$ 1,854.45	$ 240.69
02- Transportation							
Personal Services	$137,881.00	$137,881.00	$137,859.34		$137,859.34		
Operating Expenses	55,111.20	55,111.20	54,427.05		54,427.05	$ 214.70	
Total Program	$192,992.20	$192,992.20	$192,286.39		$192,286.39	$ 214.70	$ 491.11
03- Fixed Utilities							
Personal Services	$347,312.00	$347,312.00			$281,577.70		
Operating Expenses	164,359.00	164,359.00			139,611.78	$22,816.00	
Total Program	$511,671.00	$511,671.00			$421,189.48	$22,816.00	$67,665.52
04- Non-Appropriated Filing Fees							
Operating Expenses	$430,765.75	$430,765.75		$343,976.20	$343,976.20		
Total Program	$430,765.75	$430,765.75		$343,976.20	$343,976.20		$ 86,789.55
TOTAL ALL PROGRAMS	$1,376,331.95	$1,376,331.95	$431,094.25	$343,976.20	$1,196,259.93	$24,886.15	$155,186.87

TRANSPORTATION DIVISION

The Transportation Division is responsible for matters relating to the regulation of Class A, B and C motor carriers, public warehouses, public grain storage warehouses and grain dealers. This division has four sections: 1) Motor Carriers, 2) Inspection/Investigation, 3) Public Warehousing and 4) Legal.

Motor Carrier Section:

The primary purpose of motor carrier regulation by the Commission, as defined in state law, is to assure the public of adequate and responsive transportation service at reasonable rates. These rates are reviewed and analyzed to insure they are not unjustly discriminatory and do not prefer any individual or group to the detriment of others. The motor carrier section consists of technical, support and clerical personnel who assist the Commission in meeting its statutory responsiblities relating to the transportation industry providing safe and adequate service, and just, reasonable and non-discriminatory rates to consumers.

Further, this staff is responsible to coordinate and process applications, tariffs, time-tables, insurance and service requirements for intrastate motor carriers and interstate motor carriers operating within the boundaries of South Dakota. The staff also maintains complete files of all motor carriers' tariffs and handles complaints and inquiries from the general public.

As provided in Chapter 49-28 of the South Dakota Codified Laws there are two types of motor carriers: 1) common carriers, and 2) contract carriers.

1) Common carriers are licensed operators of vehicles deemed necessary to serve the public convenience and necessity so they consequently are available for public hire. Intrastate permits are granted to common carriers in two classes (A & B) as follows:

Class A - commercial entities operating between fixed terminals or over a regular route, under regular rates or charges, based upon either station-to-station rates or upon mileage rate or scale (for example: commercial bus lines);

Class B - commercial entities operating under regular rates or charges, based upon either station-to-station rates, or upon a mileage rate or scale, and not between fixed terminals or over a regular route (for example: delivery services, independent truckers, and cattle and grain haulers);

Note: both Classes A & B are limited to a certain area of service within which their commerce must originate and end.

2) Contract Carriers are licensed operators which transport property where the remuneration is fixed in a contract and the transportation service furnished under a contract, charter, agreement or undertaking where such carrier does not engage in or hold itself out to furnish service to the public generally.

Intrastate permits are granted by the Commission to contract carriers as Class C permits.

Interstate carriers are required by state law to register with the Commission and are subject to regulation by the federal government's Interstate Commerce Commission. Interstate carriers are required to purchase annually the South Dakota identification stamps, which are commonly referred to as "bingo stamps".

Motor Carrier Statistics FY 1983-FY 1984

The following chart provides the performance data in fiscal years 1983-1984 of the transportation division's handling of these various applications and motor carrier registrations.

Intrastate Permits Issued:	FY 1983	FY 1984
Class A	3	1
Class B	99	89
Class C	18	38
Permit Transfers	51	51
Interstate Registration	1,770	1,978
Identification Stamps	143,854	157,636

Inspection/Investigation Section:

This section is staffed by three Inspectors/Investigators who are stationed outside the Commission's office in Pierre. Through daily contact with the Pierre office, these three Inspector/Investigators are responsible for conducting investigative, monitoring and contact activities with motor carrier operators and inspecting licensed grain elevators throughout South Dakota. These responsibilities and activities are carried out to assure compliance with the provisions of the South Dakota Codified Laws for motor carriers, public warehouses, grain elevators and grain dealers. They also are responsible for assuring compliance with the regulations and rules promulgated by the Commission in this area.

These activities by the Inspectors/Investigators assist the Commission's motor carrier efforts to insure the public of adequate, safe and dependable transportation service at reasonable and non-discriminatory rates. These inspection activities also assist the Commission's efforts in licensing and supervising the bonding practices of public warehouses, grain elevators and grain dealers to insure the property rights of owners and payments to producers.

Public Warehousing Section:

The Commission's staff in the public warehousing section is responsible to carry out the activities of the licensing and the bonding of warehouses and grain elevators, the handling of complaints and the exercise of the Commission's statutory jurisdiction over the handling, shipping and storing of grain.

The following is a description of the types of public warehouses which are regulated by the Commission; also the bonding requirements for each are noted:

1) Public grain warehouses include all elevators, flour mills purchasing grain and seeds for reshipment, and public warehouses in this state where grain and seeds are purchased, received, stored or handled.

2) Public terminal grain warehouses include a public grain warehouse designed, constructed and used or intended to be used for public storage grain when the different owners of grain desire that the grain be inspected, sampled, and weighed by independent inspectors, samplers, and weighers not connected with or employed by the owner, operator, or lessee of the grain warehouse.

   These public terminal grain warehouses require bonding before receiving authority certificates. A five thousand dollar ($5,000) bond must be assured for the first 10,000 bushels of stored grain and an additional three thousand dollar ($3,000) bond is required for each additional 10,000 bushels. Thereafter bonding requirements for grain warehousing are indexed to the price of the particular commodity being stored.

3) Public storage warehouses include all those where any personal property except grain and seed is received for storage for hire. Their bonding requirements are based on the square footage of their storage area or in lieu of bond, insurance may be filed.

4) One type of grain warehouse is actually a firm which buys grain for reshipment. This type of grain warehouse is a non-storing grain warehouse and needs only to secure a license from the Commission and post a five thousand dollars ($5,000) purchasing and reshipment bond thus they do not need to meet the storage bonding requirements.

5) A grain dealer's license is required of any person, firm or corporation, other than a licensed public grain warehouseman, who shall purchase grain from the owner thereof for the purpose of resale. Upon application, a grain dealer must file a bond of at least five thousand dollars ($5,000) plus five thousand dollars ($5,000) for each truck.

   Also a grain dealer is required to purchase a $2 decal to be displayed in the lower left hand corner of the windshield of each truck that is bonded.

6) The Commission also licenses one public terminal grain warehouse weightmaster. A weightmaster is required to be a competent person of good moral character who is a paid employee of a municipality, Chamber of Commerce or other similar organization and who is not an interested party, either as an owner or employee of any public grain warehouse or a public terminal grain warehouse and who shall in no manner be interested in the handling, storing, shipping, purchasing, or selling of grain or any of its products, nor in the employment of any person or corporation engaged therein, nor shall he be a member of any board of trade or organization of like character. The bonding requirement is the penal sum of $5,000, conditioned upon the faithful performance of his duties as such weighmaster.

The following chart lists the statistics of the public warehousing section for the fiscal years of 1983 and 1984.

Interstate carriers are required by state law to register with the Commission and are subject to regulation by the federal government's Interstate Commerce Commission. Interstate carriers are required to purchase annually the South Dakota identification stamps, which are commonly referred to as "bingo stamps".

Motor Carrier Statistics FY 1983-FY 1984

The following chart provides the performance data in fiscal years 1983-1984 of the transportation division's handling of these various applications and motor carrier registrations.

Intrastate Permits Issued:	FY 1983	FY 1984
Class A	3	1
Class B	99	89
Class C	18	38
Permit Transfers	51	51
Interstate Registration	1,770	1,978
Identification Stamps	143,854	157,636

Inspection/Investigation Section:

This section is staffed by three Inspectors/Investigators who are stationed outside the Commission's office in Pierre. Through daily contact with the Pierre office, these three Inspector/Investigators are responsible for conducting investigative, monitoring and contact activities with motor carrier operators and inspecting licensed grain elevators throughout South Dakota. These responsibilities and activities are carried out to assure compliance with the provisions of the South Dakota Codified Laws for motor carriers, public warehouses, grain elevators and grain dealers. They also are responsible for assuring compliance with the regulations and rules promulgated by the Commission in this area.

These activities by the Inspectors/Investigators assist the Commission's motor carrier efforts to insure the public of adequate, safe and dependable transportation service at reasonable and non-discriminatory rates. These inspection activities also assist the Commission's efforts in licensing and supervising the bonding practices of public warehouses, grain elevators and grain dealers to insure the property rights of owners and payments to producers.

Public Warehousing Section:

The Commission's staff in the public warehousing section is responsible to carry out the activities of the licensing and the bonding of warehouses and grain elevators, the handling of complaints and the exercise of the Commission's statutory jurisdiction over the handling, shipping and storing of grain.

The following is a description of the types of public warehouses which are regulated by the Commission; also the bonding requirements for each are noted:

1) Public grain warehouses include all elevators, flour mills purchasing grain and seeds for reshipment, and public warehouses in this state where grain and seeds are purchased, received, stored or handled.

2) Public terminal grain warehouses include a public grain warehouse designed, constructed and used or intended to be used for public storage grain when the different owners of grain desire that the grain be inspected, sampled, and weighed by independent inspectors, samplers, and weighers not connected with or employed by the owner, operator, or lessee of the grain warehouse.

   These public terminal grain warehouses require bonding before receiving authority certificates. A five thousand dollar ($5,000) bond must be assured for the first 10,000 bushels of stored grain and an additional three thousand dollar ($3,000) bond is required for each additional 10,000 bushels. Thereafter bonding requirements for grain warehousing are indexed to the price of the particular commodity being stored.

3) Public storage warehouses include all those where any personal property except grain and seed is received for storage for hire. Their bonding requirements are based on the square footage of their storage area or in lieu of bond, insurance may be filed.

4) One type of grain warehouse is actually a firm which buys grain for reshipment. This type of grain warehouse is a non-storing grain warehouse and needs only to secure a license from the Commission and post a five thousand dollars ($5,000) purchasing and reshipment bond thus they do not need to meet the storage bonding requirements.

5) A grain dealer's license is required of any person, firm or corporation, other than a licensed public grain warehouseman, who shall purchase grain from the owner thereof for the purpose of resale. Upon application, a grain dealer must file a bond of at least five thousand dollars ($5,000) plus five thousand dollars ($5,000) for each truck.

   Also a grain dealer is required to purchase a $2 decal to be displayed in the lower left hand corner of the windshield of each truck that is bonded.

6) The Commission also licenses one public terminal grain warehouse weightmaster. A weightmaster is required to be a competent person of good moral character who is a paid employee of a municipality, Chamber of Commerce or other similar organization and who is not an interested party, either as an owner or employee of any public grain warehouse or a public terminal grain warehouse and who shall in no manner be interested in the handling, storing, shipping, purchasing, or selling of grain or any of its products, nor in the employment of any person or corporation engaged therein, nor shall he be a member of any board of trade or organization of like character. The bonding requirement is the penal sum of $5,000, conditioned upon the faithful performance of his duties as such weighmaster.

The following chart lists the statistics of the public warehousing section for the fiscal years of 1983 and 1984.

Public Warehousing Statistics FY 1983 and FY 1984

	FY 1983	FY 1984
Public Storage Warehouses	44	41
Grain Warehouse (non-storing)	51	50
Federal Licensed Elevators	77	74
Grain Storage Warehouses	411	392
Value of Stored Grain (as of June 30)	not available	$73,215,083
Licensed Grain Dealers	332	262

During the time period of fiscal years 1983 and 1984 two warehouses switched to federal licenses, two filed bankruptcy and four elevators were taken over by existing elevators.

Also three South Dakota truck grain dealers filed bankruptcy, and one Missouri grain dealer filed bankruptcy.

During Fiscal Year 1984 all of the South Dakota licensed grain storage licensed warehouses were inspected once and some twice by the three inspectors on the Public Utilities Commission staff. The licensed elevators submit monthly grain reports on the first of every month for grain they have issued storage receipts for. They are required to be bonded for the market value as of the reporting date.

Legal Section:

Effective July 1, 1984, the legal section is staffed with one Assistant Attorney General who provides legal advice to the Commission and Transportation Division staff on all transportation related matters such as: motor carriers, public storage, public grain warehouses and grain dealers.

This attorney prepares Commission reports and orders and prepares opinions and memoranda on legal questions before the Commission which require research in addition to representing the transportation staff in various hearings. This attorney provides the Commission and staff with legal representation in state courts in transportation related litigation. The following are transportation decisions of the Commission which were appealed to the court system and their determinations.

Transportation Court Proceedings FY 1983 - FY 1984:

23148-B Class B motor carrier application of Shirley Hawley dba Midwest Tours and Charter Service

Appeal of the Commission Report and Order filed in the Circuit Court for the County of Beadle, Third Judicial Circuit. Appeal is pending.

6299-B Application of James Hoffman for the extension of his Class B motor carrier authority.

Judge Patrick McKeever of the 6th Judicial Circuit denied the appeal of James Hoffman and affirmed the PUC's Order of Reconsideration.

22861-B Application of Midwest Security Transfer, Inc. Commission Decision was upheld by South Dakota Supreme Court.

FIXED UTILITIES DIVISION

During the 1975 Legislative Session, the South Dakota Public Utilities Commission was vested with the powers, rights, functions and jurisdiction to regulate every investor-owned utility in South Dakota as defined in SDCL 49-34A-1(12). This definition of "public utility" is as follows:

> "any person operating, maintaining or controlling in this state equipment or facilities for the purpose of providing gas, or electric service to or for the public in whole or in part, in this state; provided, however, the term shall not apply to an electric or gas utility owned by a municipality, political subdivision, or agency of the state of South Dakota or any other state or a rural electric cooperative as defined in..." South Dakota Codified Law.

After the Commission was given this legal jurisdiction over certain "public utilities" for gas and electricity, the legislature established and the Commission named this division "Fixed Utilities". These new electric and natural gas regulatory responsibilities were added to the already existent telephone utilities regulation within the same division.

The Fixed Utilities Division has been responsible for the regulation of those public utilities which have fixed facilities and equipment which have required a major investment to construct and maintain. The state legislature has determined that the duplication of these fixed facilities and equipment by competing companies would not be in the consumer's best interest. The Fixed Utilities Division is responsible for matters relating to the regulation of investor-owned electric, natural gas and telephone utilities companies. This division has four sections: 1) accounting, 2) consumer services and complaints, 3) engineering and 4) legal.

The accounting section consists of professional, technical, support and clerical personnel who assist the Commission in meeting its statutory responsibilities relating to the regulation of rates, service, certification and safety of utility facilities for electric, natural gas and telephone utilities companies.

The consumer services and complaints section responds to consumer inquiries, investigates and resolves consumer complaints and prepares statistical summaries on consumer complaint activity throughout each fiscal year.

The engineering section, which is made up of a staff engineer, is responsible for providing technical staff direction to the Commission so as to insure the availability of regulated utility services of a prescribed quality and in sufficient quantity to meet all reasonable requirements for public use. The staff engineer participates in formal siting proceedings and he provides technical recommendations to the Commission in these proceedings.

The legal section consists of two assistant attorneys general and their clerical support staff. This section prepares notices of hearings, legal recommendations and final hearings. They also attend hearings, initiate investigation, draft administrative rules, and they represent the Commission in matters before the State and Federal Courts and federal agencies such as the Federal Energy Regulatory Commission.

Accounting Section:

The main objective of the accounting or rate analyst section is the processing of filings for requested increases in regulated utility company rates. This section must analyze filings, identify issues, prepare testimony and exhibits incorporating the staff's recommendations, as well as to assist in the preparation of cross-examination questions and preparation of briefs for use in the formal hearings process.

This section also analyzes and recommends action to be taken with regard to new tariff filings, purchase gas adjustments, fuel adjustment clauses, State and Federal Legislation, Federal Energy Regulatory Commission actions, Federal Communications Commission actions, actions of other states and investigations into new or non-routine utility regulation areas. The staff in the accounting section also provides technical expertise to other staff members or the Commissioners in the areas of electric, natural gas and telephone utility regulation.

ELECTRIC UTILITY REGULATION:

In the area of electric utility regulation, the Commission regulates six investor-owned electric companies; they are: Black Hills Power and Light, Iowa Public Service, Montana-Dakota Utilities Company, Northern States Power, Northwestern Public Service and Otter Tail Power. During the time period of fiscal years 1983 and 1984, electric rate case applications in the amount of $10,375,189 were pending before the Commission.

The following is a breakdown of these docketed electric rate case applications within the fiscal year it was filed. The determination of those proceedings is also included within this following information:

	Date Filed	Date Decided	Amount Requested	Percentage Requested	Amount Granted	Percentage Increase Granted	Effective Date Of Rates
				FY 1983 Cases Filed			
NWPS - F-3420	11-15-82	4-28-83	$ 798,018	1.4%	$ 590,936	1.0%	5-01-83
NSP - F-3422	11-17-82	4-27-83	4,917,000	13.4%	3,902,000	10.6%	5-01-83
OTP - F-3418	10-07-82	3-16-83	2,296,912	22.9%	1,418,632	14.1%	3-18-83
IPS - F-3415	6-30-82	11-04-82	265,426	20.0%	265,426	20.0%	11-04-82
				FY 1984 Cases Filed			
NWPS - F-3463	11-01-83	4-26-84	$ 338,633	.6%	$ 333,900	.5%	5-01-84
MDU - F-3463	6-29-84	11-14-84	1,423,670	17.6%	769,646 879,979 1)	9.5% 10.9%	11-15-84
IPS - F-3454	9-30-83	2-24-84	335,536	19.6%	335,536	19.6%	3-01-84

1) The settlement was both inclusive and exclusive of the purchase of an additional portion of the Big Stone Plant from NWPS. The higher amount, inclusive of Big Stone, won't become effective until the purchase is made. The lesser amount became effective on 11-15-84.

Natural Gas Utility Regulation:

In the area of natural gas utility regulation, the Commission regulates four investor-owned electric companies; they are: Iowa Public Service, Minnegasco, Montana-Dakota Utilities Company and Northwestern Public Service. During the time period of fiscal years 1983 and 1984, natural gas rate case applications in the amount of $7,101,571 were pending before the Commission. The following is a breakdown of these docketed natural gas rate case applications within the fiscal year it was filed. The determination of those proceedings is also included within this following information:

	Date Filed	Date Decided	Amount Requested	Percentage Regulated	Amount Granted	Percentage Increase Granted	Effective Date of Rates
			FY 1983 Cases Filed				
Gas							
MDU -F-3413	6-30-82	12-01-82	$2,011,025	7.9%	$1,475,000	5.8%	12-01-82
MDU -F-3445	6-10-83	11-08-83	3,503,546	11.7%	2,700,000	9.0%	11-20-83
			FY 1984 Cases Filed				
MDU -F-3445	6-10-83	11-08-83	$3,503,546	11.7%	$2,700,000	9.0%	11-20-83
MINNE-F-3458	8-26-83	1-18-84	1,587,000	3.8%	1,091,296	2.6%	1-27-84

Telephone Utility Operation:

The following two operating statements represent the operations of Northwestern Bell Telephone Company, Bison State Telephone Company, Independent Telephone Companies, Rural Cooperative Telephone Companies and Municipal Telephone Companies for the calendar years 1982 and 1983. Since July 1, 1982 the Public Utilities Commission is authorized by state law to regulate only the rates of Northwestern Bell Telephone Company and Bison State Telephone Company. A breakdown of these regulated rates for Northwestern Bell and Bison State are found on pages 25 through 30 of this report.

Telephone Utility Regulation

In the area of telephone utility regulation the Commission regulates two telephone companies; they are: Northwestern Bell Telephone Company, and Bison State Telephone Company (Continental Telephone Company - CONTEL). The South Dakota Legislature removed independent telephone companies with fewer than 7,000 subscribers from the Commission's jurisdiction effective July 1, 1982. The Commission lost regulation of the municipal telephone companies effective July 1, 1980 and the telephone cooperatives on July 1, 1979. As of December 31, 1982, ther were 271,677 main stations operating in South Dakota; the Commission has regulatory authority over 77.1% of them. Included in that 77.1% are foreign companies, nine of which are telephone companies under the jurisdiction of other state public utility commissions but are serving customers residing within the boundaries of the State of South Dakota. The territorial boundaries of individual companies are represented on the "Telephone Company Service Areas" South Dakota map. (See this map and the index on pages 23 and 24 of this report.) There are also 14 farm-owned telephone companies in South Dakota. This has decreased from 343 such farm-owned companies operating in 1966.

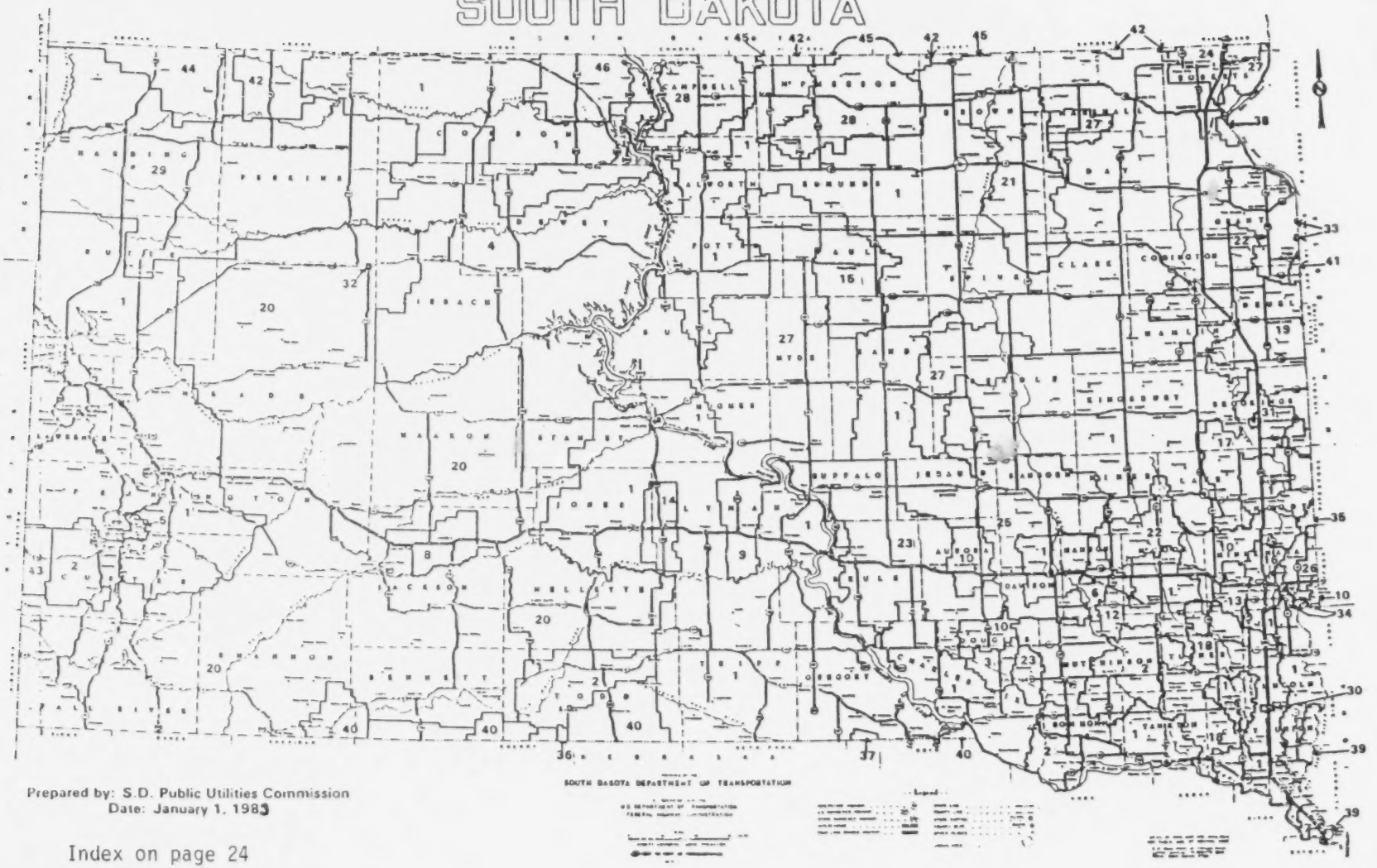
During the time period of fiscal years 1983 and 1984, telephone rate case applications in the amount of $61,963,813 were pending before the Commission.

The following is a breakdown of the docketed telephone rate case applications within the fiscal year it was filed:

	Date Filed	Date Decided	Amount Requested	Percentage Regulated	Amount Granted	Percentage Increase Granted	Effective Date of Rates
			FY 1983 Cases Filed				
Telephone							
NWB - F-3375	01-30-81	02-02-82	$16,488,151	19%	$3,225,594	3.8%	04-01-82
Revision of Decision	06-23-82				3,620,837	4.3%	06-23-82
Circuit Court Decision	08-24-82				4,699,888	5.6%	08-24-82
NWB - F-3410	05-28-82	10-22-82	13,851,273	15.8%	4,900,000	5.5%	11-22-82
NWB - F-3442	05-13-83	11-10-83	21,477,652	22.3%	1,972,561	1.9%	not in effect
			FY 1984 Cases Filed				
split into F-3443	06-30-83	12-30-85	$10,146,737		4,993,000	5%	01-01-84
Circuit Court Order	07-01-84				1,507,000	1.5%	07-01-84

TELEPHONE COMPANY SERVICE AREAS

SOUTH DAKOTA



Prepared by: S.D. Public Utilities Commission
Date: January 1, 1983

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Telephone Companies Regulated

1. Northwestern Bell Telephone Company, Sioux Falls, SD
2. Bison State Telephone Company, Custer, SD

Telephone Companies - Non-Regulated

Independent

3. Armour Independent Telephone Company, Armour, SD
4. Cheyenne River Sioux Tribe Telephone Authority, Eagle Butte, SD
5. Great Plains Independent Telephone Company, Keystone, SD
6. Hanson County Telephone Company, Alexandria, SD
7. Jefferson Telephone Company, Jefferson, SD
8. Kadoka Telephone Company, Kadoka, SD
9. Kennebec Telephone Company, Kennebec, SD
10. Sioux Valley Telephone Company, Dell Rapids, SD
11. Stockholm-Strandburg Telephone Company, Stockholm, SD
12. Tri-County Mutual Telephone Company, Emery, SD
13. Union Telephone Company, Hartford, SD
14. Vivian Telephone Company, Vivian, SD
15. Western Telephone Company, Faulkton, SD

Cooperatives

16. Baltic Cooperative Telephone Company, Baltic, SD
17. Brookings-Lake Telephone Company, Brookings, SD
18. Dakota Cooperative Telecommunications, Irene, SD
19. Deuel Telephone Cooperative Association, Clear Lake, SD
20. Golden West Telephone Cooperative, Inc., Wall, SD
21. James Valley Cooperative Telephone Company, Groton, SD
22. McCook Cooperative Telephone Company, Salem, SD
23. Midstate Telephone Company, Kimball, SD
24. Roberts County Telephone Cooperative Association, New Effington, SD
25. Sanborn Telephone Cooperative, Inc., Woonsocket, SD
26. Splitrock Cooperative Telephone Association, Garretson, SD
27. Sully Buttes Telephone Cooperative, Inc., Highmore, SD
28. Valley Telephone Cooperative Association, Herreid, SD
29. West River Cooperative Telephone Company, Bison, SD

Municipal

30. City of Beresford Telephone Department, Beresford, SD
31. City of Brookings Telephone Department, Brookings, SD
32. Faith Municipal Telephone Company, Faith, SD

Foreign

33. Farmers Mutual Telephone Company, Bellingham, Minnesota
34. Hills Telephone Company, Inc., Estherville, Iowa
35. Continental Telephone Company of Minnesota, Minneapolis, Minnesota
36. Continental Telephone Company of Nebraska, Minneapolis, Minnesota
37. Three River Telco, Lynch, Nebraska
38. Valley Telephone Company, Browns Valley, Minnesota
39. Northwestern Bell Telephone Company of Iowa
40. Northwestern Bell Telephone Company of Nebraska
41. Northwestern Bell Telephone Company of Minnesota
42. Northwestern Bell Telephone Company of North Dakota
43. Northwestern Bell Telephone Company of Wyoming
44. Consolidated Telephone Corporation, Dickinson, North Dakota
45. Dickey Rural Telephone Mutual Aid Corporation, Ellendale, North Dakota
46. West River Mutual Aid Telephone Corporation, Hazen, North Dakota

SOUTH DAKOTA TELEPHONE COMPANIES*
SUMMARY OF INTRASTATE OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 1982 AND 1981

	1982	1981	Difference	Percentage Increase (Decrease)
Revenues				
Local service				
/MS				
Toll service				
/MS	$122,259,385	$110,373,574	$11,885,811	10.77
Miscellaneous (net)	6,656,764	5,761,941	894,823	15.53
/MS	24.50	20.87		
Total operating revenues	$128,916,149	$116,135,515	$12,780,634	11.00
/MS	474.52	420.69		
Expenses				
Maintenance	$ 24,896,668	$ 22,295,030	$ 2,601,638	11.67
/MS	91.64	80.76		
Depreciation and amortization	25,037,874	22,777,753	2,260,121	9.92
/MS	92.16	82.51		
Traffic	5,530,371	5,570,821	(40,450)	(0.73)
/MS	20.36	20.18		
Commercial	12,330,607	11,260,712	1,069,895	9.50
/MS	45.39	40.79		
General	21,021,925	18,453,549	2,568,376	13.92
/MS	77.38	66.85		
Taxes (excluding F.I.T.)	7,375,874	7,225,108	150,766	2.09
/MS	27.15	26.17		
Federal income taxes (F.I.T.)	7,844,394	6,042,579	1,801,815	29.82
/MS	28.87	21.89		
Miscellaneous (net)	2,612,471	2,264,739	347,732	15.35
/MS	9.62	8.20		
Total operating expenses	$106,650,184	$ 95,890,291	$10,759,893	11.22
/MS	392.57	347.35		
Net operating income	$ 22,265,965	$ 20,245,224	$ 2,020,741	9.98
/MS	81.95	73.34		
Net income	$ 19,269,904	$ 19,624,952	$ (355,048)	(1.81)
Net plant in service (ave)	$282,902,436	$276,777,259	$ 6,125,177	2.21
/MS	1,041.32	1,002.60		
Main stations - MS	271,677	276,059	(4,382)	(1.59)
Extensions	242,485	250,722	(8,237)	(3.29)
Service stations	94	116	(22)	(18.97)
Total	514,256	526,897	(12,641)	(2.40)
Rate of return	7.871	7.315		0.556
Gross margin	17.272	17.432		(0.160)

*Faith Municipal did not report

SOUTH DAKOTA TELEPHONE COMPANIES*
SUMMARY OF INTRASTATE OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 1983 AND 1982

	1983	1982	Difference	Percentage Increase (Decrease)
Revenues				
Local service				
/AL				
Toll service				
/AL				
Miscellaneous (net)				
/AL				
Total operating revenues	$142,760,460	$128,884,154	$13,876,306	10.77
/AL	487.07	445.95		
Expenses				
Maintenance	$ 25,509,518	$ 24,271,600	$ 1,237,918	5.10
/AL	87.03	83.98		
Depreciation and amortization	26,083,533	24,139,683	1,943,850	8.05
/AL	88.99	83.53		
Traffic	5,607,038	5,530,371	76,667	1.39
/AL	19.13	19.14		
Commercial	11,749,499	12,318,607	(569,108)	(4.62)
/AL	40.09	42.62		
General	21,487,142	20,869,231	617,911	2.96
/AL	73.31	72.21		
Taxes (excluding F.I.T.)	8,056,766	7,346,338	710,428	9.67
/AL	27.49	25.42		
Federal income taxes (F.I.T.)	12,379,405	8,937,315	3,442,090	38.51
/AL	42.24	30.92		
Miscellaneous (net)	2,789,012	2,298,177	490,835	21.36
/AL	9.52	7.95		
Total operating expenses	$113,661,913	$105,711,322	$ 7,950,591	7.52
/AL	387.80	365.77		
Net operating income	$ 29,098,547	$ 23,172,832	$ 5,925,715	25.57
/AL	99.27	80.18		
Net plant in service (ave)	$278,565,709	$287,080,282	$(8,514,573)	(2.97)
/AL	950.40	993.32		
Access lines-AL	293,103	289,011	4,092	1.42
Rate of return	10.446	8.072		2.374
Gross margin	20.383	17.980		2.403

*Vivian Independent did not report

TELEPHONE RATES
NORTHWESTERN BELL TELEPHONE COMPANY

Rate Group	Base Rate Area						
	Business 1	Residence 1 ϕ	Residence 2 ϕϕ	Residence 4*	Semi-Public	Agri-Business	Service Station
A (0-500)	$20.90	$ 9.30	$4.95		$13.80	$15.15	$3.70
B (501-1000)	20.90	9.30	4.95		13.80	15.15	3.70
C (1001-2000)	23.30	10.00	5.50		15.00	15.85	3.90
D (2001-5000)	23.30	10.00	5.50	$4.85	15.00	15.85	3.90
E (5001-10,000)	26.10	10.80	6.25	5.30	16.40	16.65	4.15
F (10,001-20,000)	26.10	10.80	6.25	5.30	16.40	16.65	4.15
G (20,001-30,000)	30.25	12.00	7.25	6.20	18.45	17.85	4.45
H (30,001-45,000)	30.25	12.00	7.25	6.20	18.45	17.85	4.45
I (45,001-60,000)	32.05	12.50	7.70	6.60	19.35	18.35	4.60

* Service is obsolete
ϕ For exchanges where Conserver's Service is available, add $1.00
ϕϕ For exchanges where Conserver's Service is available, add $4.15

NOTE: Rates are for access to network only; set charge is additional

(As of 1-1-84)

SOUTH DAKOTA

Rate Groups based on total terminals (less public and company office main stations), available in local service calling area (including E.A.S. points.)

5 Group "A" Exchanges (0-500)

Bridgewater
Canistota
Hecla*
Presho
Timber Lake

9 Group "B" Exchanges (501-1,000)

Bonesteel
Burke
Elk Point
Murdo
Newell
Onida
Tripp
Tyndall
Wessington Springs

24 Group "C" Exchanges (1,001-2,000)

Arlington
Bowdle*
Bradley
Britton
Centerville
Clark-Raymond
DeSmet
Gettysburg-Lebanon*
Gregory
Howard-Carthage
Hudson
Ipswich*
Lake Andes-Pickstown
McIntosh
Miller
Morristown
Parkston
Peever
Platte-Geddes
Reliance
Roscoe*
Salem
Volga-Bruce
Wagner

33 Group "D" Exchanges (2,001-5,000)

Alcester
Belle Fourche
Bristol
Canton-Fairview
Chamberlain
Clearfield
Colman
Doland*
Eureka*
Flandreau
Lake Preston
Lemmon
Marion
Milbank
Mobridge
Nisland
Oldham-Ramona
Pierpont
Redfield
Revillo
Roslyn
Selby
Sisseton
Sturgis
Summit
Veblen
Vermillion
Viborg
Waubay
Webster
Wilmot
Winner
Witten

20 Group "E" Exchanges (5,001-10,000)

Castlewood
Cavour
Deadwood
Florence
Hayti
Huron
Iroquois
Lake Norden
Lead
Lesterville
Madison
Mitchell
Pierre-Ft. Pierre*
South Shore
Spearfish
Tabor
Whitewood
Willow Lake (Bryant)
Wolsey
Yankton

*Exchanges where Conserver's Service is available

5 Group "F" Exchanges (10,001-20,000)

Aberdeen*	Frederick*	Watertown
Cresbard*	Mellette*	

0 Group "G" Exchanges (20,001-30,000)

3 Group "H" Exchanges (30,001-45,000)

Hermosa	Hill City	Rapid City*

2 Group "I" Exchanges (45,001-60,000)

Harrisburg-Tea	Sioux Falls*

*Exchanges where Conserver's Service is available

BISON STATE TELEPHONE COMPANY
LOCAL EXCHANGE SERVICE RATES
EFFECTIVE OCTOBER 15, 1982

Rate Group	Exchange	CLASS OF SERVICE: Business 1-Party	Business Trunk	Business Key	Residence 1-Party	Semi-Public	EAS Points
1	1-750 Terminals Avon	$22.80	$45.50	$34.10	$11.40	$34.10	
	Springfield	22.80	45.50	34.10	11.40	34.10	
	Menno	26.35	49.05	37.65	13.50	37.65	Freeman
	Mission	30.70	53.40	42.00	15.95	42.00	Rosebud
	Rosebud	32.05	54.75	43.35	16.65	43.35	Mission
2	751-1500 Terminals Scotland	24.60	49.15	36.85	12.30	36.85	
	Freeman	31.55	56.10	43.80	16.20	43.80	Menno Flyger Marion
3	1501-3000 Terminals Custer	26.60	53.15	39.90	13.35	39.90	

CONSUMER SERVICES AND COMPLAINTS SECTION

The consumer services and complaint section has the primary responsibility for consumer relations and communications. Upon receipt of telephoned and written inquiries, complaints, and comments from consumers, a staff member will initiate an investigation on the consumer's behalf. In many instances the consumer will have first contacted the utility company and simply wishes further assistance. This department keeps a record of all such complaints and their resolutions for tabulations and preparation of statistical summaries.

SUMMARY OF CONSUMER COMPLAINTS RECEIVED

YEAR	ELECTRIC	GAS	TELEPHONE	TOTAL
FY 1982 (January - June 1982)	138	84	323	545
FY 1983	776	135	981	1,892
FY 1984	443	382	5,207	6,032

ADMINISTRATIVE RULES OF SOUTH DAKOTA TITLE 20, ARTICLE 10 PUBLIC UTILITIES

The Commission, investor-owned utilities, and interested consumer groups have approved and promulgated rules for telephone, gas, and electric companies in South Dakota. These rules include allowing for a penalty for late payment of bills, as well as a carrying charge. A gas and electric consumer has twenty days to pay his bill from the day the bill is issued. If he fails to pay within this time frame a disconnect notice is issued, allowing ten days to remit the amount of the bill to avoid termination of his service. Telephone customers are allowed a payment period of fifteen days. Gas and electric customers are allowed thirty additional days to pay their bills in the winter months to avoid disconnection of service. When credit has not been established by a customer a deposit may be required. Interest is earned on the deposit at a rate of 7% and is to be automatically returned to the customer after one year provided there have been no late payments.

STATISTICS NARRATIVE

NOTE: This report marks the first time that the Public Utilities Commission Consumer Services and Complaints Section presents its statistics in a Fiscal Year time period. The last reported time period ended December 31, 1981. The second six months of calendar year 1982 had not been reported. The following reports are for the full Fiscal Year of 1983 and 1984.

In FY 1982 an additional 4,476 customers objected to the two-part rate increase request of Northwestern Bell, Docket F-3442 and F-3443. The first

portion of the rate increase request related to a "business as usual" rate increase and the second part related to the divestiture by American Telephone and Telegraph Company of its operating companies, Northwestern Bell Telephone Company included.

No petitions from regulated investor-owned utilities were included in complaint compilations for FY 1982.

In FY 1983, the Commission received signed petitions against rate increases from Minnegasco (50 signers), Northern States Power Company (28 signers) and Otter Tail Power Company (70 signers) customers. The Commission registered a total of 680 complaints concerning the Northwestern Bell Telephone Company residential connection charge of $69.00. Two hundred eight petitioners objected to the closing of the Menno, South Dakota, service office of Northwestern Public Service Company. Four hundred sixty-eight Northwestern Public Service customers objected to electric rates. Three hundred eighty-four Northwestern Bell customers objected to the rate increase request in Docket F-3442, the first part of a two-part rate increase request.

The Commission opened Docket F-3475 in February, 1984, to conduct an investigation into the matter of the purchase of telephone shells by Northwestern Bell Telephone Company customers. In FY 1984 the Commission received a total of 439 complaints by telephone customers who, prior to November 17, 1980, thought they were purchasing the entire telephone when, in accordance with the tariff filed with the Commission, the inside working components remained the property of the telephone company.

Also in FY 1984 105 petitioners and letter writers objected to the Montana-Dakota Utilities Company gas rate increase in Docket F-3445.

The following five pages of statistical information is the Monthly Comparison of Electric, Natural Gas and Telephone Complaints for FY 1982, FY 1983 and FY 1984. Also, for the time period of FY 1982, FY 1983 and FY 1984 the four pages of reports entitled "Electric, Natural Gas and Telephone Consumer Complaints by Category" are included in this report section.

MONTHLY COMPARISON OF ELECTRIC, NATURAL GAS AND TELEPHONE COMPLAINTS FOR FY 1982
JANUARY THROUGH JUNE, 1982

Electric Companies:	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
Black Hills Power & Light	9	6	7	5	6	11	44
Iowa Public Service	1	1	0	1	0	0	3
Montana-Dakota Utilities Company	0	0	2	4	1	1	8
Northern States Power	4	2	5	1	5	4	21
Northwestern Public Service	8	7	14	7	13	7	56
Otter Tail Power					2	2	4
Unregulated	1	1					2
TOTALS	23	17	28	18	27	25	138
Natural Gas Companies:							
Minnegasco	5	6	2	3	5	4	25
Iowa Public Service	0	1	1	4	2	2	10
Montana-Dakota Utilities Company	5	10	18	4	6	1	44
Northwestern Public Service	1	0	0	1	2	1	5
TOTALS	11	17	21	12	15	8	84
Telephone Companies							
Bison State	1	1	5	3	0	1	11
Northwestern Bell	11	21	19	16	14	18	99
Unregulated	220*						220
TOTALS	232	22	24	19	14	19	330
1/2 FISCAL YEAR TOTAL	266	56	73	49	56	52	552

(*216 of these were from petitions regarding the Sioux Valley Telephone Company)

MONTHLY COMPARISON OF ELECTRIC, NATURAL GAS AND TELEPHONE COMPLAINTS FOR FY 1983

Electric Companies:	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
Black Hills Power & Light	8	4	3	6	6	6	4	2	8	4	5	10	64
Iowa Public Service	0	0	0	0	0	0	1	0	1	0	0	0	2
Montana-Dakota Utilities Company	3	2	2	1	1	2	0	3	0	2	0	1	17
Northern States Power	1	5	10	6	6	6	4	4	4	9	5	1	61
Northwestern Public Service	12	8	10	10	10	11	3	3	44*	474*	21	8	614
Otter Tail Power	0	2	0	1	1	2	1	1	1	1	4	4	18
TOTALS	22	21	25	24	24	27	13	13	58	490	35	24	776

*Includes Petition

Natural Gas Companies:													
Iowa Public Service	0	1	2	1	1	1	2	0	0	2	3	1	14
Minnegasco	4	4	2	5	5	5	7	3	1	1	7	2	46
Montana-Dakota Utilities Company	8	2	8	3	3	3	9	7	6	7	3	2	41
Northwestern Public Service	0	0	0	0	0	0	1	1	2	2	2	4	14
TOTALS	12	7	12	9	9	9	19	14	8	12	15	9	135

MONTHLY COMPARISON OF ELECTRIC, NATURAL GAS AND TELEPHONE COMPLAINTS FOR FY 1983, CONT.

Telephone Companies:	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
Northwestern Bell	22	24	24	18	18	18	12	7	19	642*	49*	112**	965
Bison State	0	1	2	2	2	2	2	1	1	2	0	2	15
MT SYSTEMS	0	0	0	0	0	0	0	0	0	1	0	0	1
TOTALS	22	25	26	20	20	20	14	8	20	645	49	112	981
FISCAL YEAR TOTAL	56	53	63	53	53	56	46	35	86	1147	99	145	1892

*NOTE: In FY 1983, the Commission received signed petitions against rate increases from Minnegasco (50 signers), Northern States Power Company (28 signers) and Otter Tail Power Company (70 signers) customers. The Commission registered a total of 680 complaints concerning the Northwestern Bell Telephone Company residential connection charge of $69.00. Two hundred eight petitioners objected to the closing of the Menno, South Dakota, service office of Northwestern Public Service Company. Four hundred sixty-eight Northwestern Public Service customers objected to electric rates. Three hundred eighty-four Northwestern Bell customers objected to the rate increase request in Docket P-3442, the first part of a two-part rate increase request.

MONTHLY COMPARISON OF ELECTRIC, NATURAL GAS AND TELEPHONE COMPLAINTS FOR FY 1984

Electric Companies:	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
Black Hills Power & Light	2	4	6	5	4	9	7	2	7	7	1	3	57
Iowa Public Service	0	0	3	0	37*	2	1	1	0	0	0	0	44
Montana-Dakota Utilities Company	1	2	1	0	0	1	1	4	3	0	0	9	22
Northern States Power	2	3	0	2	2	5	6	6	6	3	6	0	41
Otter Tail Power	3	4	0	3	1	1	0	0	0	1	3	2	18
Northwestern Public Service	5	4	10	4	10**	72	67	13	16	16	12	8	237
Unregulated	0	0	0	4	1	0	2	3	3	4	3	5	25
TOTALS	13	17	20	18	55	90	84	29	35	31	25	27	444

*Includes Petition

**Rate Design

Natural Gas Companies:													
Iowa Public Service	1	0	4	6	0	2	0	2	3	1	2	1	22
Minnegasco	2	6	6	5	3	3	7	12	1	8	5	5	63
Montana-Dakota Utilities Company	54	3	8	8	12	48	12	36	22	11	13	9	236
Northwestern Public Service	5	0	3	3	0	0	2	8	12	11	9	8	61
TOTALS	62	9	21	22	15	53	21	58	38	31	29	23	382

MONTHLY COMPARISON OF ELECTRIC, NATUPAL GAS AND TELEPHONE COMPLAINTS FOR FY 1984, CONT.

Telephone Companies:	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
Northwestern Bell	1456*	1321*	102	23	1621*	22	49**	51	236**	154**	49**	50**	5134
Bison State	0	0	1	0	1	5	0	1	0	1	1	3	13
Electro Craft	1	0	0	0	0	0	0	0	0	0	0	0	1
Unregulated	0	0	11	1	1	5	3	4	11	10	9	4	59
TOTALS	1457	1321	114	24	1623	32	52	56	247	165	59	57	5207

*Includes Rates Increase petitions - Docket #F-3442
**Includes Shell Phone Complaints - Docket #F-3475

FISCAL YEAR TOTAL	1534	1347	155	64	1757	175	157	143	320	327	113	107	6033

NOTE: The Commission opened Docket F-3475 in February, 1984, to conduct an investigation into the matter of the purchase of telephone shells by Northwestern Bell Telephone Company customers. In FY-1984 the Commission received a total of 439 complaints by telephone customers who, prior to November 17, 1980, thought they were purchasing the entire telephone when, in accordance with the tariff filed with the Commission, the inside working components remained the property of the telephone company.

Also in FY 1984 105 petitioners and letter writers objected to the Montana-Dakota Utilities Company gas rate increase in Docket F-3445.

ELECTRIC, NATURAL GAS AND TELEPHONE CONSUMER COMPLAINTS BY CATEGORY FOR FISCAL YEAR 1982

	Meter or Service Problems	Deposit or Disconnect	Want Service, Rural or Serv. Improvement	Boundary or Territory Disputes	Tariff or Billing Practices	Rate Increase Complaints
Electric Companies:						
Black Hills Power & Light	8	49	1		24	5
Iowa Public Service		3			1	
Montana-Dakota Utilities Company	3	1			12	1
Northern States Power	4	16			20	4
Northwestern Public Service	8	55	1	2	36	29
Otter Tail Power	1	6			2	2
REA's (Not PUC regulated)			2			1
TOTALS	24	130	4	2	95	42
Natural Gas Companies:						
Iowa Public Service	1	7			4	
Minnegasco	10	12			21	4
Montana-Dakota Utilities Company	6	13			30	14
Northwestern Public Service		3			2	4
TOTALS	17	35			57	22
Telephone Companies:						
Cheyenne River Sioux Tribal Authority			1			
Bison State	5	5	5	1	2	2
*The following are regulated by the PUC:						
Jefferson Telephone				1		
Golden West			2			
Sioux Valley				216 (Petition)		
Union		1				
Western Telephone	1					
Northwestern Bell	24	72	3	3	63	16
TOTAL	30	78	11	222	65	18
FISCAL YEAR TOTALS	71	243	15	224	217	82

ELECTRIC, NATURAL GAS AND TELEPHONE CONSUMER COMPLAINTS BY CATEGORY FOR FISCAL YEAR 1983

Electric Companies:	Meter or Service Problems	Deposit or Disconnect	Want Service, Rural or Serv. Improvement	Boundary or Territory Disputes	Tariff or Billing Practices	Rate Increase Complaints
Black Hills Power & Light	8	32	3		20	1
Iowa Public Service					2	
Montana-Dakota Utilities Company	4	4			14	5
Northern States Power	5	23	2		12	15
Northwestern Public Service	9	65	5		24	511
Otter Tail Power	1	11		1	6	
TOTALS	27	135	10	1	78	532
Natural Gas Companies:						
Iowa Public Service	4	4			6	
Minnegasco	5	23			18	6
Montana-Dakota Utilities Company	4	15	1		24	11
Northwestern Public Service		10			4	
Unregulated	1					
TOTALS	14	52	1		52	17
Telephone Companies:						
Bison State	2	1			9	3
Northwestern Bell	5	21	6		44	1064
M-T Systems		1				
TOTAL	7	23	6	0	53	1067
FISCAL YEAR TOTALS	59	210	17	1	183	1616

ELECTRIC, NATURAL GAS AND TELEPHONE CONSUMER COMPLAINTS BY CATEGORY FOR FISCAL YEAR 1984

Electric Companies:	Meter or Service Problems	Deposit or Disconnect	Want Service, Rural or Serv. Improvement	Boundary or Territory Disputes	Tariff or Billing Practices	Rate Increase Complaints
Black Hills Power & Light	5	33	2		17	
Iowa Public Service		5			1	
Montana-Dakota Utilities Company		8			10	3
Northern States Power	3	20	2		15	1
Northwestern Public Service	1	71	2		28	136
Otter Tail Power	1	10			5	3
Unregulated Companies	4	14	1	1	3	
TOTALS	14	161	7	1	79	181
Natural Gas Companies:						
Iowa Public Service	1	15	1			4
Minnegasco	6	14	1		26	246
Montana-Dakota Utilities Company	9	41			33	152
Northwestern Public Service		50			9	1
TOTALS	16	120	2		68	181
Telephone Companies:						
Bison State		3		1	8	
Electro Craft			3			
Northwestern Bell	19	46	22		704*	4476
Unregulated Companies	2	4	10	1	32	11
TOTAL	21	53	35	2	744	4487
FISCAL YEAR TOTALS	51	334	44	3	891	4849

*Includes 439 Shell Phone Complaints, Docket #F-3475

ENGINEERING SECTION

The Engineering Section plans and administers the development and implementation of engineering programs to insure that all utilities regulated by the Commission adhere to the established standards of service and safety adopted by the Commission. Major areas of activity include: review of energy conversion and transmission facility siting applications, evaluating electric and natural gas miscellaneous tariffs and cogeneration tariffs, preparation of territorial maps, and development of engineering related evidence for Commission proceedings.

The number of Kilowatt hours sold to customers in South Dakota by investor-owned utilities increased by approximately 257 million KWH or 9% over the 2 year period from December 1981 to December 1983. At the same time the annual average number of retail customers served by the investor-owned utilities increased by only 138 customers, or less than 0.1 of 1% of the number of customers being served in December 1981. The monthlyy KWH usage per customer increased by approximately 200 KWH to 1393 KWH for the 2 year period.

During the FY82-83 biennium, 59 miles of 115KV transmission line and 5 miles of 345KV Double Circuit transmission line were added to the system of those in operation. Approximately 3,600 miles of transmission lines are in operation in South Dakota ranging in capacity from 115KV line to a 345KV line. Investor-owned Utilities owned and operated 24% of these lines. The following table provides the breakdown by company:

During the FY 83-84 biennium, the Engineering Section was involved with the following docketed Commission proceedings:

Docket F-3371 — Nebraska Public Power District

Application for a permit to construct approximately 233 miles of a 500KV single circuit transmission line and associated facilities from a point on the North Dakota-South Dakota border 2.5 miles east of the Brown-Marshall County line to a crossing of the Gavins Point Dam west of Yankton, South Dakota.

Filed: January 14, 1981.

Disposition: Permit was denied on January 14, 1982. This docket is still active. Remanded to Commission in portion after appeal to the State Supreme Court.

Docket F-3237

Investigation of the implementation of certain requirements of Title II of the Public Utilities Regulatory Policy Act of 1978 regarding cogeneration and small power production.

Filed: October 31, 1980

Disposition: The Commission's investigation in this matter began on October 31, 1980. Public hearings were commenced in Pierre on

January 6, 1982. On December 14, 1982 the Commission issued a Decision and Order in this matter which set terms for the filing of tariff sheets providing for the purchase and sale of electrical energy and capacity between cogeneration and small power production facilities and the electric utility company. The required tariffs have been filed and are under consideration for approval by the Commission.

Docket F-3471

Investigation of the treatment of certain costs associated with the Commercial and Apartment Conservation under the National Energy Conservation Policy Act of 1978 as amended by the Energy Security Act of 1980.

Filed: January 24, 1984

Disposition: The Commission issued a Decision and Order on May 11, 1984. Docket is now closed.

The Engineering Section was also involved in evaluating a number of electric and natural gas miscellaneous tariff filings and master metering variance requests.

ELECTRIC TRANSMISSION LINES OPERATING IN SOUTH DAKOTA AS OF JUNE 30, 1984

	115KV Line* Number of Miles	161KV Line* Number of Miles	230KV* Number of Miles	230KV* Double Circuit Number of Miles	345KV* Number of Miles	345KV* Double Circuit Number of Miles
Basin Electric Power Company, 1717 East Interstate Avenue Bismarck, ND 58501			14		270	
Black Hills Power & Light Co. P. O. Box 1400 Rapid City, SD 57709	4		154			
Montana-Dakota Utilities 400 North Fourth Street Bismarck, ND 58501	85		40			
Nebraska Public Power Company 1414 15th Street Columbus, NE 68601	40					
Northern States Power Company 414 Nicollet Mall Minneapolis, MN 55401	162	11				
Northwestern Public Service Co. 500 Northwestern Natl. Bk Bldg. Huron, SD 57350	320		23			5
Otter Tail Power Company South Cascade Street Fergus Falls, MN 56537	12		16			
Western Area Power Admin. P. O. Box EGY Billings, MT 59101	1260		369	605	210	

*Approximate Values

Pipelines bring natural gas and petroleum products to South Dakota. There are 1,129 miles of natural gas pipelines and 554 miles of petroleum product pipelines in operation in South Dakota.

PIPELINES OPERATING IN SOUTH DAKOTA DURING FY 1979-1981

COMPANY	ROUTE MILES	LOCATION
NATURAL GAS:		
Montana-Dakota Utilities	299	From the junction of the North Dakota, South Dakota and Montana Borders southward to Rapid City connecting the cities of Spearfish, Lead, Deadwood and Sturgis.
Northern Natural Gas	650	From the Nebraska-South Dakota border near Ponca, Nebraska northward to Sioux Falls, then westward to Aberdeen with connections to the cities of Brookings, Watertown, Huron, Mitchell, and Yankton and additional connections to smaller towns along this route.
Northern Border	180	From the North Dakota-South Dakota border north of Eureka, South Dakota to the Minnesota-South Dakota border near Astoria, South Dakota.
PETROLEUM PRODUCTS:		
Knaeb Pipeline Company	314	From East of Yankton to north of Fredrick, South Dakota.
Wyco Pipeline Company	95	From the southwest corner of South Dakota to Rapid City.
Williams Pipeline Company	110	From southwest of Clear Lake to Watertown, from east of Dell Rapids to Sioux Falls and from near Alcester to Sioux Falls.

The 43 energy conversion facilities operating in South Dakota have a generating capacity of approximately 2434 megawatts of electricity. Investor-owned utilities own and operate facilities in South Dakota with a generating capacity of approximately 792 megawatts. Sixty percent of the total megawatt generating capacity is owned and operated by the United States Corps of Engineers on the Missouri River dam system.

Between December, 1981 and December, 1983 there have been no generating capacity additions or retirements in South Dakota.

ENERGY CONVERSION FACILITIES IN SOUTH DAKOTA FOR PERIOD FY 1979-1981

Company	Plant Name	Location	Generation Capacity (MW)	Status	Date
OTP-NWPS-MDU	Big Stone	Big Stone City	437	Existing	1975
OTP	Lake Preston #1	Lake Preston	24	Existing	1978
OTP	Britton	Britton	1.0	Existing	1948
OTP	Lake Preston	Lake Preston	2.0	Existing	1941
MDU	Mobridge	Mobridge	3.4	Existing	1947
BHP&L	Kirk	Lead	33.75	Existing	1961
BHP&L	Ben French #1	Rapid City	25	Existing	1961
BHP&L	Ben Fr Diesel	Rapid City	10	Existing	1965
BHP&L	Ben French Gas Turbine	Rapid City	100	Existing	1979
NSP	Pathfinder	Sioux Falls	75	Existing	1969
NWPS	Huron	Huron	12.5	Existing	1961
NWPS	Yankton-New	Yankton	11.5	Existing	1975
NWPS	Aberdeen	Aberdeen	22.6	Existing	1978
NWPS	Armour	Armour	4.6	Existing	1936
NWPS	Chamberlain	Chamberlain	7.2	Existing	1948
NWPS	Clark	Clark	2.75	Existing	1970
NWPS	Faulkton	Faulkton	2.75	Existing	1969
NWPS	Highmore	Highmore	2.0	Existing	1948
NWPS	Redfield	Redfield	4.1	Existing	1962
NWPS	Webster	Webster	2.8	Existing	1931
NWPS	Yankton-Old	Yankton	7.6	Existing	1980
NWPS	Mobile Unit	N/A	0.5	Existing	1955
Arlington Mun Light & Pwr	Arlington	Arlington	1.0	Existing	1949
Basin Electric Power Cooperative Inc	Spirit Mound	Vermillion	120	Existing	1979
Bryant Light & Pwr Plant	Bryant	Bryant	1.0	Existing	1951
Elk Point Mun Light Plant	Elk Point	Elk Point	4.0	Existing	1946
Estelline Mun Light & Pwr	Estelline	Estelline	4.0	Existing	1950
Faith Wtr Light & Pwr Plt	Faith	Faith	3.0	Existing	1959
Flandreau Mun Light & Power Plant	Flandreau	Flandreau	4.0	Existing	
City of Howard	Howard	Howard	2.0	Existing	1944
City of Madison Electric Processing System	Madison	Madison	7.0	Existing	1947
Onida Mun Light & Pwr Sys	Onida	Onida	0.5	Existing	1949
Parker Mun Light Plant	Parker	Parker	2.0	Existing	1947
Rosebud Elec Coop, Inc	Gregory	Gregory	1.0	Existing	1949
Tyndall Light & Water Plt	Tyndall	Tyndall	3.0	Existing	1949
City of Vermillion	Vermillion	Vermillion	4.0	Existing	1947
Wessington Springs Mun Electric & Light	Wess Springs	Wess Springs	3.0	Existing	1954
Winner Mun Utilities	Winner	Winner	2.0	Existing	1947
Don Jones	White River	White River	2.0	Existing	1924
US Corps of Eng (USCE)	Fort Randall	Pickstown	320	Existing	1956
US Corps of Eng (USCE)	Oahe	Pierre	595	Existing	1962
US Army Eng	Big Bend	Fort Thompson	464	Existing	1966
US Army Eng	Gavins Point	Yankton	100	Existing	1957

LEGAL SECTION

The Fixed Utilities Division is staffed with two Assistant Attorneys General who provide legal advice to the Commission and staff on all fixed utilities matters. Such matters include the areas of electric, natural gas and telephone. These Attorneys are appropriated within the Commission's budget, but in order for them to represent the State of South Dakota in rate cases and other proceedings, they are required by law to be approved by the Attorney General and are designated as Assistant Attorneys General.

The fixed utilities legal staff, made up of these two attorneys and their legal secretary, prepares recommended reports and orders and drafts many of the final orders and decisions. Opinions and memoranda on legal questions before the Commission are prepared by the attorneys. These activities require significant research work. The attorneys also represent the staff and or Commission in the various contested rate case proceedings. The attorneys also work with legal consultants who are sometimes hired for the more complex cases or in the most active rate case time periods.

Commission Orders Issued

	FY83	FY84
Electric	40	22
Natural Gas	13	3
Telephone	42	32
Transmission & Pipeline	0	8
TOTAL	95	65

The legal section of the fixed utilities division also provides the Commission with legal representation in state and federal courts in electric, natural gas, telephone and miscellaneous litigation affecting the Commission.

The following rate case proceedings are decisions of the Commission that have been appealed to the court system, with their determinations referenced:

Fixed Utilities Rate Case Proceedings:

Docketed Case #F-3442, Northwestern Bell Telephone Company Rate Increase:

In the Matter of the Application of
Northwestern Bell Telephone Company
for an Order of the Commission Establishing
Just and Reasonable Rates and Charges, which
will provide it with a Just and Reasonable
Level of Earnings for its Intrastate Telephone
Services Furnished within the State of
South Dakota

Filed on 5/13/83
PUC decision 11/10/83

Appealed to Circuit Court
Circuit Court Findings of Fact and Conclusions of Law 8/8/84
Appealed to Supreme Court
Initial briefs filed with Supreme Court

Application filed by Northwestern Bell for an increase in intrastate telephone rates. Northwestern Bell appealed the Commission decision to the Circuit Court, Sixth Judicial Circuit of South Dakota. Of thirteen issues which were appealed, the Circuit Court reversed the Commission on four issues. The Commission subsequently appealed two of these issues (average cash balance and inflation adjustment) to the South Dakota Supreme Court. At this time briefs have been filed but no decision has been issued.

Fixed Utilities Miscellaneous Proceedings:

Docketed Case #F-3371, MANDAN 500 kv Transmission Line:

In the Matter of the Application of
Nebraska Public Power District for a
Permit to Construct and Operate the
Proposed MANDAN Nominal 500 kv
Transmission Facility

Filed on 1/14/81
Commission Decision issued 1/14/82
Appealed to Circuit Court
Circuit Court decision issued 9/30/82
Appealed to Supreme Court
Supreme Court decision 8/8/84
Circuit Court Order for Remand issued 10/4/84

Application filed by Nebraska Public Power District to construct the MANDAN power line across South Dakota. The Commission denied the permit to allow construction. The decision was appealed to the Circuit Court, Sixth Judicial Circuit. The Circuit Court reversed the Commission decision, but affirmed a number of conditions the Commission would have imposed on the line if the permit had been granted. All parties appealed to the Supreme Court of South Dakota. The Supreme Court, in its August 8, 1984 decision, affirmed that a construction permit should be granted since a statute relied upon by the Commission was unconstitutional. The Court also remanded two other issues (local land use regulation and general variance) back to the Commission for further study.

Docketed Case #F-3436, Electro-Craft Declaratory Ruling:

In the Matter of the Petition for
Declaratory Ruling filed by Electro-
Craft, Inc.

Filed on 3/9/83
PUC decision 12/8/83
Circuit Court decision 5/21/84

Appealed to Supreme Court
Briefing complete
Supreme Court oral argument set for 1/9/85

Electro-Craft sought a declaratory ruling from the Commission as to whether Golden West Telephone Cooperative must apply to the Commission before commencing radio paging services in the Rapid City area, an area which is outside Golden West's service territory. The Commission ruled that it has jurisdiction to regulate telephone cooperatives which attempt to operate radio paging services outisde their assigned territories. Golden West appealed to the Circuit Court, Sixth Judicial Circuit. The Circuit Court reversed the Commission, holding that while the Commission has jurisdiction over radio common carriers, it has no authority over telephone cooperatives providing radio paging services. The Commission appealed to the State Supreme Court. Oral arguments were held January 9, 1985.

Docketed Case #F-3456, Northern States Power Declaratory Ruling:

In the Matter of the Petition for
Declaratory Judgment filed by Northern
States Power Company

Filed 8/15/83
PUC decision issued 10/9/84
Appealed to Circuit Court 11/6/84

NSP sought a declaratory ruling as to whether it could refuse electric service to a wife for past debts incurred while living with her husband. The Commission ruled that NSP could not refuse service. NSP has appealed the ruling to the Circuit Court, Sixth Judicial Circuit.